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Banker Says He's Leading a Righteous Life and E. H. Harriman Says Nothing -Tarbell to Be Retained-Demands That Depew Besign-Jerome Angry.

Jacob H. Schiff's statement before State Superintendent of Insurance Francis Hendricks that the records of the Equitable Life Assurance Society are false when they record the sale of Union Pacific preferred stock to the society by the firm of Kuhn, Loeb & Co. led Chairman Paul Morton yesterday to instruct his accountants to give him a full report on this matter.

Mr. Schiff's charge is regarded as one of the most serious yet made, and it was suggested that there might be grounds for criminal prosecutions.

"I am investigating in my own way," said Mr. Morton, "and it will probably take some time before I have anything definite to announce."

Mr. Schiff refused to add anything to what he said on the stand before Supt. Hendricks. Incidentally, though, he issued this state-

"I cannot possibly take up and discuss for publication every statement with which my name becomes connected. When one has charge of large affairs one gets sometimes praise and sometimes censure, and the one must be taken with the other. I am endeavoring to lead a righteous life. always following the dictates of my conscience, which, after all, is man's proper and best judge, and if my acts have in any instance been mistudged I shall trust to time for this to become corrected."

Attention was called yesterday to discrepancies between Mr. Schiff's testimony and the testimony of Mr. Hyde. Mr. Schiff said that he knew only Mr. Hyde in the sales of Union Pacific preferred stock; Mr. Hyde stated that he represented the Equitable society in these transactions, with the consent of President Alexander, and that the stock, amounting to approximately \$1,600,000, although carried on the society's books, was still in the names of olerks in Kuhn, Loeb & Co's. office.

Mr. Hendricks asked Mr. Hyde whether he considered such transactions proper ones for a life insurance company to enter into. It was reported yesterday that there might be further investigation in an effort to bring to light more of the details of transactions which may have had a considerable effect on the stock market.

E. H. Harriman, when he was questioned in regard to the Equitable's transactions in Union Pacific preferred and in regard to the circumstance that his name had practically been omitted not only from the Hendricks report but from the testimony, replied emphatically that he had nothing to say.

District Attorney Jerome was angry over the publication of the Hendricks testimony before it had reached his hands. He issued this statement last night:

My desire to examine the testimony taken before Superintendent of Insurance Hendricks in the Equitable matters is not from a sociological standpoint or to see if any moral obliquity has been disclosed, but to ascertain if the evidence taken is sufficient to form the basis of a criminal prosecution. There have been efforts made recently to obtain the minutes of the Grand July in criminal prosecutions, and the courts usually have denied this privilege to the defendant. There are often Grand Jury inquiries in which it would be disadvantageous to the prosecutor to have the proceedings become public.

"The proceedings before Supt. Hendricks were secret. If there were any reasons of public policy why these proceedings should be disclosed, in my humble opinion the question of disclosing them should be left to the man charged with the duty of determining that there were grounds for criminal oceedings against anybody interested.

"But if there existed such reason, over and beyond a criminal proceeding, for making the testimony public, I think the person responsible for the criminal prosecution should have been consulted. Then if public policy demanded the publication of the evidence all the newspapers should have had it. I have been unable to obtain this evidence, although I have made several efforts to get it. To-day I made a distinct and positive effort to get the evidence, but I have not got it yet.

Mr. Jerome refused to say in what his "positive" effort consisted.

When Deputy State Superintendent of Insurance Robert Hunter was informed that the District Attorney thought it strange that the testimony had been made public before it had reached his hands, he said:

"I don't give a damn what Jerome thinks. The testimony didn't leak out from this office.

The disclosures regarding Senator Chauncey M. Depew's services as special counsel to the Equitable and the loans to the Depew Improvement Company brought the statement that there is strong feeling among the trustees that Mr. Depew ought to retire from the directorate. Many policyholders, it was said, had written to them suggesting that he get out. Nothing will probably be done by them in the matter until after Mr. Depew returns from Europe.

Chairman Paul Morton announced yesterday that he had decided to keep Second Vice-President Gage E. Tarbell in office. Mr. Tarbell handed in his resignation at the same time as livde. Alexander and McIntyre, to be acted upon at the chairman's discretion. Mr. Morton has not, however, returned Mr. Tarbell's resigna-

"I have," said Mr. Morton, "told Mr. Tarbell that we will try and work along together. If he is able to do as well as he thinks he can we shall be very well satisfied. If we find that we cannot get along together, then one of us will have to leave.

Mr. Tarbell will continue in charge of the domestic agency department. Mr. Morton also announced that he had decided to keep Third Vice-President

George T. Wilson, who is in charge of the foreign agencies, as well as Henry Rogers Winthrop, the financial manager, and Henry Bremner, the assistant treasurer.

Mr. Morton said that he was ready now to get to work and try to do some insurance business. Speaking of the resignation of Archibald C. Haynes, general manager in this city and one of the society's most successful managers, he said:

"Mr. Haynes is a good insurance agent but has some positive ideas. I hope he will withdraw his resignation."

Chairman Morton announced yesterday that he will call a meeting of the Equitable board of directors for Friday to act on the names which the trustees, Grover Cleveland, Justice Morgan J. O'Brien and George Westinghouse, will suggest to fill vacancies on the board. The trustees held another meeting at the Hotel Buckingham vesterday for the purpose of considering candidates, and it was said afterward that they would probably not be ready to recommend men for all the nineteen vacancies on Friday.

They had, though, they said, chosen several candidates and would make no effort to pick out the others until later. Mr. Cleveland left last night for Maine

where his family is stopping.

It was learned yesterday that Thomas F.
Ryan, with Levi P. Morton and Harry
Payne Whitney, has purchased a controlling interest in the Washington IAfe Insurance Company. This stock was purchased by Mr. Rvan and his associates last January after the company got into trouble under the management of the Brewers.

Samuel Untermyer, counsel for James H. Hyde, sailed yesterday for Europe on the Kaiser Wilhelm II. He was shown a copy of Mr. Hyde's testimony before the State Superintendent but refused to comment on it. ALBANY, July 11 .- Gov. Higgins was

asked to-night if the disclosures in the Equitable society's affairs had changed his views any as to the desirability of an investigation before a committee of the Legislature to the end that the public could be given all the facts.

The Governor said that nothing has developed that in his opinion warrants a legislative investigation. He reiterated his great confidence in the ability of the State Insurance Department to take care of the

"We set out," he said, "to make a very thorough examination of the Equitable and I expect we will get at all the inside facts. No act of mine will be lacking to help the investigation, and nothing will be left undone to probe the matter to the bottom in the best interests of the policyholders."

NEW CUBAN ELECTRIC LINES.

Passenger and Freight System to Radiate From Havana-Contracts Awarded.

The Havana Central Railway Company, in which some New Yorkers are interested, has awarded contracts for the construcrailway system in Cuba. The company is to build and operate a network of interurban lines radiating from the city of Havana and covering an extensive territory in the interior of the island which has hitherto been without transportation facilities.

About 125 miles will be constructed in the first instance, involving an expenditure of nearly \$5,000,000. The road, besides catering for passenger traffic, will have a freight service for fruits, vegetables and other products.

One branch will extend clear across the island to Rosario, a distance of about forty miles. Sub-stations will be located at Cuatro Caminos, Lomas de Candela and Cuatro Caminos, Iomas de Candela and Providencia. A second line will run from Havana seventeen miles south to Bejucal, with a sub-station at Santiago de las Vegas. A third line, running southwest from Havana to Mariel, will have a length of thirty-seven miles and branch lines running north and south to El Carmelo, Santiago de las Vegas and Tuira de Melena, amounting to about thirty miles.

power house to be constructed in Havana will operate 7,500 horse-power of electric energy at 19,000 volts three phase current for the purpose of operating the lines. Steam turbines will be used. The initial rolling stock for passenger service will consist of twenty-four 30 ton

cars, searing fifty passengers and equipped with four motors geared for a maximum speed of 40 miles an hour. The freight service will be handled by ten 40 ton locomotives equipped with four motors geared for a speed of 17 miles an hour when hauling a 200 ten train. a 300 ton train.

The General Electric Company has been

awarded the contract, valued at more than \$1,500,000, for the complete electrical equip-ment of the system. The United States Steel Products Export Company has been allotted the rail contract, calling for 15,000

GLIDDEN TOURISTS PINCHED. Bike Cops Stop Whipple and Hurlburt on Speed Allegations.

Two of the autoists who started with the Glidden tourists for Mount Washington vesterday morning got into trouble with the police. Harlan W. Whipple, former president of the Automobile Club of east ble chauffeur Robert Wasson superintendent of the Peerless Automobile Company, placed under arrest for exceeding the speed limit. W. B. Hurlburt, manager of the Packard Automobile Company. who was making haste to overtake a truck loaded with the baggage of the tourists in order that he might give the driver some instructions, was also picked up. Mr. Hurlburt said jocosely when his case came up for a hearing in the West Side police court:

"I was going a little bit fast, but then I didn't know that Detectives Casey and Mallom were out on their autocycles so early in the morning."

Casey and Mallom say that Wasson, who was driving Whipple's touring car, was raising the dust on upper Broadway at the rate of 32 miles an hour. Wasson declares that he and Mr. Whipple were merely testing the machine—a recent acquisition—and that he was not conscious of driving it over 18 miles an hour. Bail in \$200 was furnished by Dr. J. Franklin Dunseith of 304 West Flfty-fourth street, who offered as security Fifty-fourth street, who offered as security valuable real estate at 352 West Forty-second street. Bail in the same amount was furnished in Hurlburt's case by Albert Hortog of 304 West Fifty-fourth street. Casey and Mallom allege that Whipple remonstrated loudly when his chauffeur was arrested and, displaying a silver shield, remarked that he was Sheriff of Kings county and that he had a right to go as he pleased. In the West Forty-seventh street station he produced two fifty dollar bills as bail for Wasson. Then he left, announcing that he was in a hurry to start on the tour. Wasson is the man who was with C. G. Wasson is the man who was with C. G. Wridgway in the car with which Wridgway 1,000 miles in 25 hours at Brighton

KILLS PARAMOUR AND SELF.

Crime of a Young Philadelphian Who Wa Insanely Jealous.

ATLANTIC CITY, N. J., July 11 .- Edward Doughty, a young Philadelphian, put an end to his love troubles here this afternoon by first firing four bullets from a Colt revolver into Meta Clyde, his mistress, and then shooting himself. Both died instantly. The tragedy took place in a small shop in the heart of the Tenderloin, and the girl was making some small pur chases when Doughty entered the store and began shooting. After killing the girl Doughty menaced the crowd with the gun long enough to make his way to an upper floor, where he fired the remaining bullet

noor, where he into his breast.

Doughty and the girl had been living in Philadelphia as man and wife, but separated Philadelphia as man and wife, but separated when they came here. Doughty was insanely jealous of his paramour and evidently had made up his mind to kill her, as he was carrying the gun in a holster on a filled cartridge belt and had been shadowing her for several days, according to stories of the girl's companions. The police have not learned the home address of either, but Doughty was employed by a Philabut Doughty was employed by a Phila-delphia picture frame manufacturer at 253 South Second street before he came

Dr. Burnham to Head Consumption Hos-

ALBANY, July 11 .- The board of managers of the New York State Hospital for the of the New York State Hospital for the Treatment of Incipient Tuberculosis has appointed Dr. Melvin Page Burnham of New York city acting superintendent to succeed Dr. J. H. Prior, resigned. Dr. Burnham has been for three years resident physician of Seton Hospital at Spuyten Duvvil, a tuberculosis sanatorium of 300 beds. He is highly recommended by New York experts. EOUITABLE LOAN TO DEPEW CO.

SENATOR TOLD OF DEALINGS AT THE HENDRICKS QUIZ.

Admits a Verbal Agreement to Make Good the Society's Loss, but Doubts if It's Legally Binding Schiff's Story of Bond Sales -Little of Harriman.

Much of the testimony taken by Supt. Hendricks in his investigation of the Equitable became known yesterday and the statements of Senator Depew, Jacob H. Schiff and James H. Hyde added to the knowledge of conditions in the society before the reorganization.

Senator Depew admitted that he was financially interested in the Depew Improvement Company, to which the Equitable loaned \$250,000 on property worth only \$150,000. He admitted that the mortgage had been foreclosed and declared that he did not advise the loan in his capacity as counsel for the society. He admitted, however, that he voted in favor of making the loan and also told of a verbal agreement that the society should not lose through it. He declared, however, that this promise was not legally binding.

He explained that he received his \$20,000 year salary for giving advice to Messrs. Alexander or Hyde whenever they wanted outside counsel.

Mr. Schiff testified that his firm, Kuhn, Loeb & Co., had sold bonds to the Equitable while he was on the finance committee of the society, and later bought them back at a loss to the society. In spite of the records of the society, however, he denied that he or his firm had sold to the Equitable any Union Pacific preferred stock, or, in fact, any stock whatever. When contion and equipment of a great electric fronted with the records he declared that they were false.

> Mr. Hyde declared that the Union Pacific syndicate was really Mr. Harriman's idea, and it was on Harriman's advice that the Equitable came in.

> It was believed at the time the investiga tion was going on that E. H. Harriman would have to take his turn in the witness chair and tell what he knew about the Equitable's purchase of so-called Harriman securities, but when Mr. Hendricks's first report came out there was nothing said about Harriman. In the testimony made public yesterday there is no mention of Mr. Harriman being called by Mr. Hendricks and, in fact, very few allusions to him are contained in the testimony.

DEPEW EXPLAINS HIS SALARY. Senator Depew was asked to explain how he had earned the \$20,000 salary that he had received from the Equitable since 1889. He said that about thirty years ago he was retained as one of the general coun-

sel of the company by the elder Hyde and that in 1877 he bought his stock and was elected a director in the company. Mr. Depew said that the elder Hyde often called upon him for advice, especially in regard to investments. Mr. Depew said that every little while Mr. Hyde sent him a check in payment for his services. Some time in the '80s, Mr. Depew testified, the company became involved in some bad investments. He brough the company out of the difficulty and Mr.

society at a large salary. Mr. Depew declined Mr. Depew declared that Mr. Hyde then sent for him, told him that he wanted to have the privilege of calling for advice at any time, and asked him to accept a retainer of \$20,000 a year. Mr. Alexander advised him to accept, he said, and he did so. Since then, he declared, he had been consulted by Alexander and the Hydes when they wanted advice outside of their regular counsel.

THE DEPEW IMPROVEMENT COMPANY COAN. Mr. Depew was next asked about the loans of \$250,000 made by the Equitable company to the Depew Improvement Comganized by a number of prominent people in Buffalo and the late Walter Webb. His name was adopted without his knowledge, he declared, and for several years he had no interest in the company and knew little about it until Walter Webb told him that he had formed a syndicate to buy a majority of the stock and that he had assigned \$100,000 of it to Mr. Depew.

"I told him," said Mr. Depew, "that I wasn't in the habit of taking \$100,000 interests, and I didn't know anything about it, and I would rather not do it, but he said: Very well; I knew what you would say, and so I have opened an account in my bank. I have put up the stock as collateral: I have borrowed \$100,000 for you. so you need have no trouble, and here is a check and note, and you sign these two. You have got your stock, and in three months it will be sold out and we will make a hand-

some profit.'
"And I did what many a man has done before—I signed a note and that check. The prospects of the company seemed unusually good, and, of course, I was too busy a man to pay any attention to it, and it was run by Mr. Webb and by a very expensive \$15,000 a year general manager." Coming down to the loan, he said:

"I never had anything to do with it. I never applied for it or advised it or asked for it. It was done, as I understand, by an application from the managers of the com-pany and upon appraisal by the officers who are appointed for that purpose by the

AND THE GUARANTEE OF REPAYMENT. Q. You voted in favor of this loan on the executive committee? A. I think I did. but want to say that I didn't advise the loan and was not consulted about it at all. executive committee? A I think I did: but I want to say that I didn't advise the loan and was not consulted about it at all.

Q. I suppose you are aware that in 1901 there was an appraisement made by the Insurance Department of that property and their appraisal was \$150,000. No: I didn't know about that. Didn't I write a setter—?

Q. You wrote a letter to the Insurance Department asking us to reappraise. A. Yes; that was because the manager asked me to write the letter on the ground that the appraisers didn't understand their business and that the appraisal was ridiculously below the real value. I have no kind of doubt, from investigations I have made, that under a proper management of people on the ground, with a capital sufficient to invite and help the new enterprises that might come there, and to build houses, &c., that not only the Equitable morigage, but everybody is amply secured.

Q. You said the mortgage was foreclosed and you understood that the property was bid in by the society? A. Yes, sir.

Q. And that the society has been waiting to have something done about it? A. Yes, some arrangement that I am not familiar with.

Q. And that the society has been waiting to have something done about 11? A. Yes, some arrangement that I am not familiar with.

Q. I show you an exhibit here. It is not the original, but it is claimed to be a copy of the original which is on file in the society records. A. I remember that.

Q. What were the circumstances which caused you to sign that statement? A. If I remember right, that was brought to me by a lawyer who told me that the Equitable Trust Company would take bonds sufficient—I will say right here when the guarantors signed the guaranty the manager said that no money would ever be required of us, because they had parties that were going to buy the property and take it off our hands.

Q. You mean the guaranty for the \$50,-

Q. You mean the guaranty for the \$50,-000? A. I mean this paper. The lawyer brought that to me with the statement that the Equitable Trust Company had or would make an agreement to take \$700,000 of bonds which were to be issued by a new company to be formed, and the details of it I don't remember.

to be formed, and the details of it I don't remember.

Q. I will ask you a word on the details. It appears that there was to be a reorganization of the company? A. Yes, Q. To be stocked at \$750,000? A. Yes, sir.
Q. And enough of these bonds at par were to be transferred to the Equitable society to cover the mortgage and interests and costs? A. Yes, sir.
Q. Then the Equitable society was to transfer those bonds to the Equitable Trust Company? A. Yes, sir.
Q. And get the money on them that you and Mr. Twombly and John Jacob Astor

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Q. And save it harmless from taking those bonds? A. Yes, sir.
Q. Now the company was never organized? A. No. Why that never went through I really don't know.
Q. You agreed to guarantee those bonds?
A. I couldn't answer that question. I would have to refer that to the manager and the lawyer who did it.
Q. As a lawyer, do you think that this paper fixes any liability on you of any kind? A. As a lawyer I don't think so, and I am informed by the counsel of the receiver that it does not.

Further testimony regarding Mr. De-ew's liability was given by Gerald R. pew's liability was given by Gerald R. Brown, superintendent of the Equitable's bond and mortgage department. He said that H. B. Anderson, counsel for the Depew Improvement Company, had given him the impression that Mr. Webb and Mr. Depew contended that there was no personal liability against them. Mr. Brown said that he had spoken to Mr. Depew on the subject and that Mr. Depew led him to believe that he was going to see the Equitable through without loss.

to believe that he was going to see the Equitable through without loss.

Q What did he say in substance? A. He said in substance that he had been dragged into this matter by Walter Webb—who is now deceased—I believe, a brother of Dr. Seward Webb; that the place had been named after him without his consent, and that he had sunk \$125,000 to \$150,000 of his own money in it, which he was willing to lose if necessary or put in more to help the Equitable out and get it out without loss.

Q Did he say in substance that he would save the Equitable harmless for the delay. A. Yes, he did.

Q That promise on his part has never been reduced to writing, except so far as it appears in this exhibit? A. No, sir.

Q. And I suppose that you understood a personal promise of the sort was not legally binding, didn t you? A. Yes, sir.

Q Do you know if Mr. Depew made the same statement to any other person in your presence? A. He made that statement to the Comptroller of the society in my presence.

Q To Mr. Jordan? A. Yes, sir.

DEPEW'S PART IN SALARY INCREASES.

Mr. Depew was reminded that he and V. P. Snyder recommended the increase of the salaries of President Alexander and Vice-President Hyde, and was told that some persons thought that Hyde was getting a pretty large salary for the work he was doing. Mr. Depew declared that at the time doing. Mr. Depew declared that at the time of the increase the company's business had been increasing so well that he felt that the salaries were justified. He said that had the elder Hyde paid more attention to his personal fortune and less to the society he might have left a much larger estate and admitted have left a much larger estate and admitted

sonal fortune and less to the society he might have left a much larger estate and admitted that sentiment had much to do in making the increased allowance for young Mr. Hyde. Mr. Depew admitted that when he recommended the increase of Hyde's salary, to \$100,000 he was not aware that Mr. Hyde was receiving about \$28,000 from subsidiary companies of the society.

Jacob H. Schiff was questioned mostly about the dealings which his firm, Kuhn. Loeb & Co., had with the Equitable, of which Mr. Schiff was a member of the finance committee. Mr. Schiff, according to his own testimony, was a dummy director for about twive years. When he became a director, he said, five shares of so-called Hyde stock were transferred to his name to qualify him, but when the trouble in the society came to a head he bought five shares of the association's stock from Comptroller Thomas D. Jordan. He said he paid \$2,000 a share for it. Many of the questions asked of Mr. Hyde wanted him to join the staff of the for it. Many of the questions asked of Mr. Schif were prompted by parts of the records

Schi'' were prompted by parts of the records of the association.

"I note by this paper," said Mr. Hendricks," that on May 25, 1904, you sold \$1,700,000 of the Japanese 6 per cent. sterling loan at 93½ and interest, and on June 30 you sold \$1,485,580 of that loan at 93½ and interest. It appears that on Nov. 18 they resold \$1,101,282 at 91½ flat to your company. Do you think that was a good sale to them at that time?"

"The avecuative committee decided, unin-

"The executive committee decided, unin-fluenced by any member of the firm of Kuhn, Loeb & Co., when they want to buy and when they want to sell securities," replied Mr. Schiff. "I have never thought to in-fluence officers or members of the executive thence officers or members of the executive committee as to what they should do. If they had waited longer they would have made a very large profit on these bonds. Perhaps the officers thought they needed the money; perhaps they thought it was a good time to sell; perhaps they thought they could buy them cheaper again."

KUHN, LOEB & CO. BOND SALES.

The Equitable then bought \$1,600,000 of second series bonds from Kuhn, Loeb & Co. at 88½ and sold them at 94½. A few days after the sale the bonds went to par. Mr. Schiff made this explanation of

the company's selling:
"In a few days there was probably a great victory for the Japanese. I want to repeat that I never asked the officers of the Equitable society to sell us some-thing that they had; if they wanted to resell something it is for some reason which their own committee has decided, and naturally, we being dealers in those bonds, when they said 'make us an offer' we did, which was almost the market price. We offered the bonds to them, but have never solicited

a resale to us.

It was also brought out that on July 8
Mr. Schiff's firm sold to the Equitable
\$1,000,000 in Metropolitan 4s of 2002 at 971/2, one-half and interest, and that these bonds are now worth only 91.

Mr. Schiff declared that his firm had never sold any Union Pacific preferred to the Equitable, or, in fact, any other stocks.

RECORD FALSIFIED, SAYS SCHIPP. Q. The record shows that on Jan. 22, \$500,000 f the Union Pacific preferred stock was urchased from Kuhn, Loeb & Co. and autorized by the finance committee Feb. 2.

purchased from Kuhn, Loeb & Co. and authorized by the finance committee Feb. 2, 1903, at 100.

A. There are two errors in there. In the first place, the finance committee could not authorize the purchase of anything. The other is that the record must be wrong, for I repeat my statement that Kuhn, Loeb & Co. never sold Union Pacific preferred stock to the Equitable Life company.

Q. Of course, I am only giving you the record. A. The record must be false.

Q. It was approved Feb. 2, 1903, by the finance committee, present Kreech, Wilson, Depew, Schiff, Snyder, the president and vice-president. A. The Equitable Life Insurance company may have bought Union Pacific preferred stock; it certainly never bought any from Kuhn, Loeb & Co.

Q. Is the Equitable Life in a syndicate to buy Union Pacific preferred stock; and the Equitable Life is not in any syndicate for Union Pacific preferred which is under the charge of Kuhn, Loeb & Co.

Q. Is James H. Hyde? A. Wouldn't you

ferred which is under the charge of Kuhn, Loeb & Co.

Q. Is James H. Hyde? A. Wouldn't you better ask that question of Mr. James H. Hyde?

Q. The record shows that the Equitable Life Insurance company paid to Kuhn, Loeb & Co. on Jan. 22, 1803, \$500,000 for \$500,000 of that stock; on July 16, 1903, it paid \$900,000 of that stock, and on July 26, 1904, they paid \$270,000 for \$380,000 of that stock. They say Snyder and Deming were the only men at the finance committee meeting on July 26, but on the one of July 16 were present Mr. Squire, Mr. Schiff, Mr. Snyder and Mr. Deming. A. I can't remember details of these, but I can only answer for Kuhn, Loeb & Co. that they never sold any preferred stock of the Union Pacific to the Equitable Life.

Q. At the time they bought \$500,000, Jan. 22, 1903, and paid 190 for it it was only selling at 93? A. It wasn't bought of Kuhn, Loeb & Co., and to-day this is new to me that the Equitable Life had any part of it.

and to-day this is new to include the Equations life had any part of it.

O. The record in reference to the payment of \$500,000 to Kuhn Loeb & Co. on account of Union Pacific preferred syndicate reads as follows: "Office voucher. Check to Kuhn, Loeb & Co., Union Pacific stock syndicate, \$500,000. Stamped paid Jan. 22, 1903." A. What of that?

that?

Q. That is the check of the Equitable Life Society? A. Supposing it is. Supposing you give a check to Mr. A., does that prove Mr. A. knows what transaction that may be? Do you suppose that the senior partner of Kuhn, Loeb & Co. sees the checks? SOLD NO U. P. TO EQUITABLE, HE SAYS. Q. Here is the office voucher for 9,000 shares "purchased of Kuhn, Loeb & Co. Union

Paoific preferred, holding certificate \$,000 at 100, \$500,000. Paid June 16, 1903. That is the check of the Equitable Life paid for the purchase of \$500,000 to Kuhn, Loeb & Co. for Union Pacific preferred holding certificate? A. I can only say to you that whoever has furnished you that record or information of sales of Union Pacific preferred or any other stock to the Equitable Life has furnished you with a false record.

Q. Evidently, from your statement, Mr. Hyde was a subscriber to that Union Pacific preferred holding certificate, and whan he was called on to make a payment on account of that syndicate he transferred it to the Equitable Life. There is no record here that it was authorized by the executive committee. It appears to have been approved on Feb. 22, 1903, for the first \$500,000, and on July 6, 1903, for the second \$900,000, and the record shows that at both those times you were present and voted for the purchase. A. I don't see how that could come about.

Q. I call your attention to the record which shows that this purchase was approved on Feb. 22, 1903, by the finance committee, and that you were recorded as voting for it. Is the record worne? A. I can only explain this that this is an incorrect statement. No doubt the sale had been made to the Equitable by Mr. Hyde. You are misinformed.

Q. We asked Mr. Hyde for a copy of the

No doubt the sale had been made to the Equitable by Mr. Hyde. You are misinformed.

O. We asked Mr. Hyde for a copy of the syndicate agreement for the purchase of that stock. He said it was not in his possession. From information we have, that syndicate agreement was dated Dec. 11, 1902, and Mr. Stillman, Kuhn, Loeb & Co., and Mr. Harriman were parties to it. We asked Mr. Hyde to furnish us with a copy of that syndicate agreement. He said that he was unable to do so, and if we wanted it we would have to ask Kuhn, Loeb & Co. for it. A. You have the right to ask me for anything, but have we a right, in a matter in which, as far as we are concerned, the Equitable is not a party, to furnish you anything.?

Q. I agree with you. If the Equitable is not a party we have no right to ask you about it. But the Equitable seems to have been made a party to it. A. Not by any notification to us. I say that Mr. Hyde has never informed Kuhn, Loeb & Co. that he has made any transfer to the Equitable company. Up to this day we know only Mr. Hyde. That syndicate agreement is no secret. It simply states that certain parties have concluded to buy \$50,000,000 Union Pacific preferred stock, and that is the whole essence of the syndicate.

HYDR EXPLAINS U. P. SYNDICATE. When James H. Hyde was asked to pro-

When James H. Hyde was asked to produce the syndicate agreement concerning the purchase of Union Pacific preferred on Jan. 1, 1905, he said:

"Mr. Harriman asked me if I would go in on behalf of the Equitable to this syndicate, and I couldn't without consultation with Mr. Alexander. We went down and consulted with Mr. Alexander, and he approved it. He asked me if I thought it was a good stock, strong syndicate and it was a good stock, strong syndicate and it was a good stock, and it was going to be a better stock, and it was in every way a good investment. Har-riman thought he was doing me a favor in letting me in, and I went in on behalf of the Equitable. I myself have never had any personal interest in the matter and never made any money out of i Mr. Hyde exhibited a letter from Mr. Alexander promising that he should be fully indemnified and protected against any personal loss which he might incur. any personal loss which he might incur.

Q. Is it true that all the Union Pacific preferred stock stands in the name of parties in the office of Kuhn, Loeb & Co.? A. That is a matter of record.

Q. If the syndicate agreement providing that the stock should not be sold is purely speculative in its purpose, is the Equitable purchase under the syndicate agreement an entirely admissible transaction for an insurance company? A. That, of course, is a question of taste or a matter of opinion. Mr. Alexander and I didn't think so.

Q. You say you have no copy of the Union Pacific agreement? A. I have no copy in my possession; Mr. Harriman refuses to give it to me.

LOSS ON SALES OF TRUST COMPANY STOCK. Later in the inquiry Mr. Hyde was recalled and questioned as to Equitable holdings in the American Deposit and Loan Company and the Mercantile Trust Company. It appeared that the society frequently sold stock to selected persons for the selected persons for duently soid stock to selected persons for less than it had paid for it. George Gould got 100 shares of Mercantile at \$500, when the Equitable was paying \$815 for the sock. This was Mr. Hyde's explanation: "Mr. Gould contributed more business."

than almost any other director of the Mercantile to that concern and we wanted him to be personally interested in the concern." Later, when Mercantile stock was being bought by the Equitable at \$1,000 and \$1,002. E. H. Harriman purchased 100 shares at \$500 from the society. Mr. Hyde explained that the reason was the same as in Mr.

WOMEN SPENT NIGHT IN CELLS. Over Question of Bondsmen.

Fleven women who were arrested on the streets of the East Side on Monday night because the captains of the Fifth and Twenty-second street station houses refused to allow professional bondsmen to Turnish bail for them.

When the women were taken to the York-

ville police court Magistrate Steinert expressed great satisfaction on learning that the women had been locked up. He took the position that it showed a falling of He fined nine of the women mall sums and released two.

Police Commissioner McAdoo commented on Magistrate Steinert's remarks

later. He said that, with the exception of Capt. Gallagher of the West Forry-seventh street station, the police had received no recent instructions on the subject of pro-fessional bondsmen.

The matter, he said, had occasioned him

much thought and he hoped to devise means by which the evil could at least be abated. Three letters on the subject of the arrest

of street women and professional bonds-men reached Mr. McAdoo yesterday. One was from a City Magistrate, another The letters all agreed that street walking and disorderly houses should be segregated. That, the Commissioner ex-plained, was impossible under the present The lawyer said that he had lately returned

from Paris, where women, he said, when arrested were not locked up in the station house, but were allowed to go after they had given their names and records. They e warned to be in court in the morning If the woman failed to appear the next time she was arrested she was locked up and got a double fine. Should she run entirely the city thought itself well rid

Mr. McAdoo said that he thought the plan was a good one, but wouldn't whether it might be tried here. He written to District Attorney Jerome garding having a surety company go bail for the women, and had had a reply from Mr. Jerome stating that he didn't oppose the plan.

SEVERED HIS ARTERIES.

Brooklyn Man Came to Manhattan to Kill Himself After Domestie Quarrel. Bernard Waldeschmidt of 809 Van Dyck street, Brooklyn, had a quarrel with his wife last night, came to Manhattan and,

alighting from a Second avenue trolley car at Stuyvesant Park, first cut the arteries in one of his wrists, then stabbed himself in the neck, using a big jack knife. Several persons did what they could for the man before an ambulance from Belle-vue arrived but he lost au enormous quantity of blood and will probably die.

SEA BREEZE CALENDARS.

WHEN NORODY'S IN TOWN.
Seashore and mountain and country give liberaily of their fresh air, rest, green, snade and recreation to thousands of grateful guests. To interest these guests in 20,000 tenement bables and mothers who cannot otherwise leave their sweltering homes, the N. Y. Association for Improving the Condition of the Poor is sending out to day 2,000 SEA BREEZE CALENDARS. Hotel guests and proprietors are asked to send some of the country or seashore back to the tenements by personal gifts, collections, fairs, concerts, fetes or entertainments. Four photographs collections, fairs, concerts, fetes or entertainments. Four photographs tell of the sea and paradise trees, of shade and play and bathing. Will you undertake to raise a fund at your hotel' \$125 will give an excursion for five hundred mothers and bables, two trolley rides, two lunches, bathing, rest, chorus singing. \$50 will keep five mothers and fifteen children one week at Sea Breeze. Send in-quiries or checks to ROBERT SIAW MINTURN, Treasurer, 105 irles or checks to ROBERT AW MINTURN, Treasurer, 100 181 224 Street.

Summer Pianola Recitals in the Country

DIANOLA recitals, made up of numbers to suit the tastes of the guests, and as artistic as those which attract so many music lovers to Aeolian Hall during the winter season, are being given this summer in the remotest corners of the country, and by people who have no technical knowledge of

Others, while cruising on the ocean, or camping in the back woods, are getting acquainted with the latest Broadway song hits, dancing to the newest dance tunes, and otherwise experiencing musical pleasure to an extent which not even the presence of a capable hand performer would make possible.

The reason for the remarkable success of the Pianola as an entertainer, both in town and country, is the Metrostyle, which makes it possible for even a novice to play with proper feeling and expression—and it is a feature possessed by no other Piano player.

Price of the Planola, \$250 and \$300.

Price of the Pianola Piano, which is an upright plano

with the Pianola inside its case, \$500 to \$1,000. Literature descriptive of both instruments, together with music catalogues showing repertory, including hundreds of compositions bearing personal interpretations of the world's greatest musicians, will be sent to any address on request.

THE AEOLIAN COMPANY, Aeolian Hall 362 Fifth Avenue, mear 34th St., New York

SLEUTHS MUST PATROL. 24 Detective Sergeants on Precinct Duty

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Ordered to Don Uniforms. Police Commissioner McAdoo sent out general order yesterday directing that all detective sergeants assigned to precincts should hereafter do patrol duty in uniform. The order affected nearly forty

men, but before it was issued the Police

Commissioner transferred sixteen of the detective sergeants back to the Central Office. They are: Richard A. Finn, Elizabeth street station William P. Judge, Leonard street station; Edward J. Armstrong, Leonard street sta-

In announcing the transfers Mr. McAdoo said that detective sergeants who had not shown any particular merit as detectives while in the Detective Bureau had been doing similar work in various precincts. Now he had come to the conclusion that if they were not good detectives while at Headquarters they certainly were not qualified to do the still more difficult precinct duty. He thought it about time they went back

nto uniform.

The sixteen detective sergeants were transferred back to the command of Acting Inspector O'Brien, because no men were needed at Police Headquarters. On that subject Mr. McAdoo said that he might

make two, three or perhaps four detective sergeants in a day or two. Patrolmen and not roundsmen will be selected.

"When I came into the Police Department," said Mr. McAdoo, "I announced that it would not be my policy to raise any patrolmen to the rank of detective sergeant.

DIED.

JONES.—On Tuesday, July 11, at the Knickerbocker, 5th av. and 28th st., Margarette A. Jones, daughter of the late Daniel Jones.

Notice of funeral hereafter. Although the law gave me the right, I considered that the power had been abused.

"There are now some men deserving of the increased rank and pay. They have earned it and they can do good work in the Detective Bureau. No men will be dropped

from that bureau.

"These promotions will be made solely for merit. The surest way for a patrolman to miss the promotion is to bring friends to see me or to write to me. These will settle their chances.

PAID \$15,000 FOR LOAN OF \$9,200. Mrs. Babbitt Accuses the New York Finance Co of Using Usurious Methods.

An order to show cause in an action against the New York Finance Company of 45 Broadway, New York, and William Brewster Wood of Philadelphia, was signed resterday by Vice-Chancellor Emery in he Newark Chancery Chambers, the complainant in the suit being Mrs. Annie D. Babbitt, daughter of the late Charles G. Campbell of Morristown, formerly a resident of Newark and who died at Morristown last May leaving an estate of about

\$1,000,000. The bill of complaint avers that last March Mrs. Babbitt applied to the New York Finance Company for a loan of \$10,000 and that the company agreed to make the loan if Mrs Babbitt would pay \$5,500 as a bonus, in addition to 6 per cent interest on the \$10,000; in other words, pay \$15,000 or thereabouts for the loan. Mrs. Babbit declares that she received only \$9,200.

received only \$9,200.

To obtain this loan Mrs. Babbitt pledged as collateral her entire interest in her father's estate, giving also to William Brewster Wood of Philadelphia, as ostensible lender of the money, a note for \$10,000. On the same date Mrs. Babbitt gave a note to the New York Finance Company for \$5,000, pledging her interest in her father's estate, both notes being signed by her estate. estate, both notes being signed by her husband as well as herself. In the first note Mrs. Babbitt authorized Wood to sell, either at public auction or at private sale, all her interest (one-third) in her father's estate, in default of her payment of interest for fifteen days, without demanding payment of the note or the amount due thereon and without advertising or giving notice to the complainant, Mrs. Babbitt.

Mrs. Babbitt in her bill of complaint harges that the transaction on the part of the defendants was of a usurious nature and that the defendants resorted to various subterfuges to conceal the usurious nature of the transaction.

MORGUE MEN REVOLT.

Say They Get Nothing But Hash at the Municipal Lodging House.

The seven men employed at the Morgue held an indignation meeting last night and appointed a committee of two, Tom Foy and George Lewis, to wait on Charities Commissioner Tully and complain of the quality and quantity of the food served to them at the Municipal Lodging House, where they board.

The men complain that they have neither

vegetables nor butter, only hash hash, hish, while the policemen detailed at the place and eating at an adjoining table are fed with juicy steaks and succulent fruits. The contrast is too great to be endured and the men are determined to escape from the realm of bash and since the scape from the realm of bash and being the state of the state escape from the realm of hash and join the feast of the cops.

"Little Tim" Not to Farm. "Little Tim" Sullivan says he is not going to turn farmer. He declares that the story to the effect that he has just purchased a large tract of land near Pittsfield, Mass.

ESTABLISHED NEARLY HALF A CENTURY

F you are interested in the method of finishing the inside of an unlined summer

our Tropical weight garments. You won find a thread that is loose nor a seam that shows a ragged edge of cloth. Our standard of finish is that

coat, examine some of

found in custom made clothes at twice the price. Tropical Suits \$19 to \$25. As usual, store will close at 12 o'clock Saturday during July and August.

ASTOR PLACE AND FOURTH AVENUE.

PERRY.-in Williamstown, Mass., July 9, Arthur

THOMAS.—At Catletts, Va., William Provocss Thomas, late of Elizabeth, N. J. Funeral from St. John's Church, Elizabeth Wednesday, July 12, at 8:30 P. M.

CEMETERIES. THE WOODLAWN CEMETERY

is readily accessible by Harlem trains from Grand Central Station, Webster and Jerome Avenue troileys and by carriage. Lots \$125 up. Tele-phone (4875 Gramercy) for Book of Views or repre-OFFICE, 20 EAST 28D ST., N. Y. CIIT. ELKS ELECT GRAND OFFICERS.

Fifteen Thousand Members Are Gathered in Buffalo. BUFFALO, July 11 .- The Grand Lodge of Elks met to-day, with 1200 delegates in attendance. There are 15,000 Elks in town, with some thousands still to come.

Exalted Ruler, Robert W. Brown Louisville, Ky.; Grand Leading Knight, C. F. Tomlinson, Winston, N. C.; Grand Loyal Knight, Charles W. Kaufmann, Hoboken, N. J.; Grand Secretary, Fred C. Robinson, Dubuque, Ia.; Grand Treasurer, John K. Tener, Charleroi, Pa. The band contest was won by the Mexican Army Band, attached to the staff of the Governor of the Mexican State of Ja-lisco. The El Paso Elks brought the band

The election resulted as follows: Grand

with them. Distance does not count with these Texans, for they went 1,200 miles south to get the band. Court Calendar this Day.

Appellate Division—Supreme Court. Recess. Supreme Court—Special Term.—Part I. Modes calendar called at 10:30 A. M. Part II.—Ex parte Surrogates' Court—Chambers. Court opens at Surrogates' Court—Chambers. Court op 10:30 A. M. For probate—Wills of Mary McJacob Eltz, Max J. Stittnelmer, Rebecca Scaroline Hiffert, George Law, Arthur Frost, hain L. Earle, Jr., at 10:30 A. M. Trial Tern 2128, will of Samuel F. Dunlap, No 2121. Nora Boynton; No. 2126, will of John C No. 2106, will of Charles Bruer; No. 2111. Hugh Mechan; No. 2123, will of Bertha I No. 2127, will of Walter Treacy, at 10:30 A. M. Cliy Court—Special Term,—Court opens A. M. Motions.

PIEL BROS.'

East New York Brewery, Brooklyn-OFFER TO FAMILIES THEIR

REAL GERMAN LAGER BEER This is the perfect and unquestional

the finest product possible of mait and This perfection is attained by reason of the highest grade of malt and hops. th absence of substitutes and chemicals, and the application of the most approved Ger man method under the skillful direction of an expert brewer. On the quality of our beer alone has

name become known all over this There is no sterling quality of the bes imported, which cost 100% more, lacking in our beer, while the most inferior do mestic beers cost only one cent less bottle than our fine and luxurious for

Delivered in Greater New York at \$1.25